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The People's Korea

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President Kim Il Sung sees on December 6 an exhibition of figure skating and hockey game in the just-completed cone-shaped Ice Sports Complex in Pyongyang. Rodong Sinmun Photos

President Kim Il Sung Visits Just-Completed Cone-Shaped Ice Sports Complex, Boat-Shaped Chongryu Restaurant

The December 6 inspection by President Kim Il Sung officially inaugurated to the public the completion of the cone-shaped Ice Sports Complex and the Chongryu Restaurant built by the Potong River flowing through Pyongyang.

The Korean Central News Agency said President Kim Il Sung went around the outside and inside of the two buildings, accompanied by leading members of the party and the government.

He saw an exhibition of figure skating and ice hockey game played by school youth and children.

Rodong Sinmun devoted a number of pages to photos of the all-season ice sports complex and the restaurant. The December 7 edition printed color photos.

The KCNA disclosed the construction of the two buildings was completed in one year and a half.

During his inspection the chief executive said, it is important before anything else to raise the utility rate of the complex built for all-season use.

He stressed increased availability of the complex to as many youth and children as possible.

In his appearance at the restaurant the leader told the officials concerned to make sure that constant and full supply of all needed materials be maintained to enable the working people to enjoy tasty dishes, foods and drinks.

According to documents available to The PK, the just-completed Ice Sports Complex has a total floor space of 28,000 square meters on a lot surrounded by the Pyongyang Gymnasium and the Changgwang Health Club.

The cone-shaped ice sports center is supported by rocket launch-pad-like pillers numbering 24. It has a ice rink 30 meters in breadth and 61 meters in length circled by three-storeyed stands with 6,000 seats.

A skate blade-shaped wing tops the sports center, giving a visible hallmark of the skate rink. The sports center stands 63.5 meters and measures 135 meters in diameter.

The Chongryu Restaurant looks like a sightseeing excursion boat steaming through the Potong River.

With a floor space of 10,000 square meters, twice the Okryu Restaurant, the Chongryu Restaurant is a two-storey building with an octagonal arbor soaring in the center, a total of 1,700 seats, including those outed open-air seats.

Foods of 100 kinds are served at the newly-built restaurant.

DPRK, Uganda Sign Agreement On Horizontal Cooperation

The Democratic People's Republic of Korea and the Republic of Uganda concluded on December 4 a historic agreement on horizontal cooperation.

The 10-article agreement was signed in Pyongyang on economic, scientific, technical and cultural cooperation, the Korean Central New Agency reported.

(See Full Text of Agreement on Page 4)

The DPRK-Uganda agreement on bilateral cooperation can be considered an epochal accord on horizontal cooperation, apparently missing in the Third World and non-aligned countries, diplomatic experts agree.

Diplomatic observers in Tokyo recall that most of Third-World and non-aligned countries depend on what they call vertical cooperation with the advanced countries for important technology.

Commenting on the December 4 KCNA broadcast of the agreement, diplomats and experts here stress long-term implications of the DPRK-Uganda agreement for the so-called North-South relations in reversing the current trend.

President Kim Il Sung is a long-time proponent of collective self-reliance in the economy for Third-World and non-aligned states vis-a-vis the advanced countries.

President Kim Il Sung welcomes visiting Ugandan President A. Milton Obote at Pyongyang Airport. KCNA Radiophoto

With such collective self-reliance, the DPRK leader believes, the Third-World and non-aligned states can challenge the present international political and economic institutions which are against their interests.

Diplomatic experts agree that having successfully signed a series of friendship and cooperation treaties with a number of non-aligned states, the DPRK led by President Kim Il Sung is determined to make the Third-World and the non-aligned movement economically independent of the former colonial powers.

The KCNA reported the signing of the agreement on economic, scientific, technical and cultural cooperation was the most important highlight of a December 1-4 official goodwill visit to the DPRK of an Ugandan party and government delegation headed by President A. Milton Obote.

The visit was at the invitation of President Kim Il Sung, concurrently General Secretary of the Central Committee of the Workers' Party of Korea.

Rodong Sinmun on December 1 editorially stated the visit of the Ugandan delegation will "make a big contribution to the development of relations of friendship and cooperation among the Third-World countries in the struggle to build an independent and prosperous new society and to the unity and cohesion of the non-aligned movement."

(Continued on page 8)

SR-71 Spy Plane Flights Reach Over 160

American spy plane SR-71 made two violations of the DPRK territorial airspace on December 10, the KCNA charged the same day.

According to the KCNA broadcast monitored in Tokyo, a SR-71 photo-taking spy plane flew into the DPRK sky above the Kangryong Peninsula on the west coast at around 10 hours 2 minutes on December10and again into the sky above Kosong on the east coast at around 11 hours 50 minutes the same day.

These bring to over 160 the total airspace violations by high-flying spy planes since the beginning of this year. Since November 17, those violations number 10.

The DPRK news agency said the airspace violations were timed to coincide with the visit to south Korea of the flagship of the US 7th fleet.

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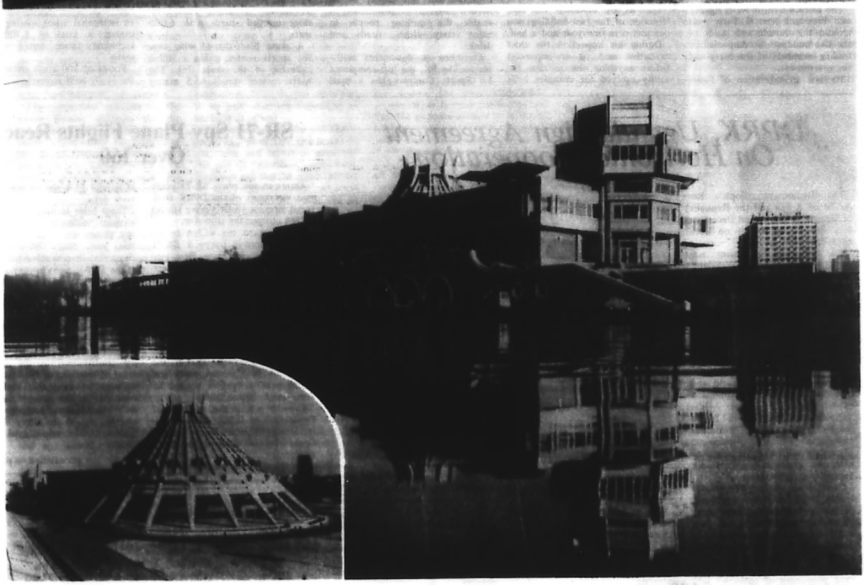
Ice Sports Complex, Chongryu Restaurant



ABOVE: President Kim Il Sung visiting the newly-built Ice Sports Complex. BELOW: The completed over-12,000 - m³ Chongryu Restaurant stands on the bank of River Potong in Pyongyang
INSET: The front view of the Ice Sports Complex.

Speech of President Kim Il Sung

Follows the full text of the speech of President Kim Il Sung at the Dec. 1 banquet at the Kumsusan Assembly Hall in Pyongyang:

Esteemed Your Excellency President Apolo Milton Obote and madam,

Dear guests from Uganda,

Comrades and friends,

Today we have met with great pleasure the party and government delegation of the Republic of Uganda headed by Your Excellency President Dr. Apolo Milton Obote, a prominent politician in Africa and founder of the Uganda People's Congress and the Republic of Uganda, a good-will mission that has come all the way from the African Continent.

Allow me to extend my warm welcome, in this amicable atmosphere here overflowing with cordial feelings of friendship, to our intimate friend Your Excellency esteemed President and madam, and to the members of the delegation, on behalf of the Central Committee of the Workers' Party of Korea, the Government of the Democratic People's Republic of Korea, the Korean people and myself.

The current visit to our country of the party and government delegation of the Republic of Uganda led by Your Excellency President clearly shows the excellent relations of friendship between Korea and Uganda that are growing and expanding every day, and it will prove a striking landmark in further strengthening the cohesion and cooperation between our two peoples.

Both Korea and Uganda are countries of the new-emerging forces freed from the colonial rule of the imperialists in the past, and, as members of the non-aligned movement, they are contributing to the promotion of the common cause of the non-aligned countries and the people of the Third World.

The Republic of Uganda was founded by esteemed Your Excellency Apolo Milton Obote.

You have long been fighting selflessly with an indomitable will and strong revolutionary spirit, for national dignity and freedom of the people, courageously pulling through the difficulties and turns and twists facing Uganda.

Under the correct leadership of Your Excellency President and the People's Congress, the Ugandan people are waging a worthy struggle to achieve national harmony and unity and to build a happy, prosperous, independent and sovereign state.

The people of Uganda are making vigorous efforts to carry out the comprehensive programme for the country's stability and reconstruction under the motto of self-reliance and, in particular, are concentrating great energies on the development of agriculture and satisfactory solution of the food problem.

At present when the world is going through a food crisis, it is very important to develop agriculture and attain self-sufficiency in food.

Without settling the food problem, it is impossible either to defend national independence and sovereignty of the country stoutly or build a new prosperous society successfully.

The Korean people sincerely wish the Ugandan people great success in their future efforts to build a new independent society in accordance with the policy advanced by Your Excellency President, and will give active support and encouragement to your just cause as a comrade-in-arms following the same road of anti-imperialism and independence.

It is now a still more urgent task for the non-aligned countries to maintain independence firmly, achieve strong political unity and secure close economic and technical cooperation.

Owing to the imperialists' manoeuvres to subordinate newly independent nations again and maintain and expand their domination, serious contradictions continue to exist between the imperialists and the peoples of the countries of the new-emerging forces including the non-aligned nations, and the disparity in wealth between the developing countries and the developed industrial nations is widening with each passing day.

Only by acting in concert will the non-aligned nations and new-emerging countries be able to administer heavy blows to the imperialists and solve the current international problems successfully in line with demands and interests of the peoples of new-emerging countries.

If the new-emerging countries fight on in firm unity, they will be able to nullify the scramble of imperialist powers for spheres of influence and also prevent a new world war beforehand.

No force on earth can ever check the struggle of the people for independence, sovereignty and building of a new society.

The day will surely come soon when the harsh colonial rule of racists still remaining in some areas of southern Africa will be wiped out and the complete liberation of Africa achieved.

We maintain that the savage apartheid policy and colonial rule pursued by the racists in Namibia and South Africa must be done away with as soon as possible in accordance with the resolution of the OAU. We express our full support and firm solidarity for the correct stand of the African front-line states and the SWAPO, the sole legitimate representative of the Namibian people, in their endeavours for the settlement of the Namibian issue.

Your Excellency esteemed Mr. President,

Your current visit to our country is a great inspiration to our people who are striving to build socialism and reunify their divided country in the tense situation of direct confrontation with the imperialist forces of aggression.

Although we have met for the first time today, we have already been well acquainted with each other through various channels. I firmly believe that this occasion will enable us to deepen our friendship and trust further as intimate friends and brothers and to develop the relations of friendship and cooperation between Korea and Uganda on to a new higher stage.

Highly appreciating my having such an excellent friend as Your Excellency Obote in Africa, I would like to propose a toast

To the lasting brotherly friendship and solidarity between Korean and Ugandan peoples,

To the prosperity and development of the Republic of Uganda,

To the solidarity among the people of the world who advocate independence,

To the health of Your Excellency esteemed President Apolo Milton Obote and madam,

To the health of guests from Uganda,

and to the health of all comrades and friends present here.

Speech of President A. Milton Obote

Follows the text of the speech of President A. Milton Obote at the Dec. 1 banquet at the Kumsusan Assembly Hall in Pyongyang:

I thank you dear President most sincerely for very warm welcome extended to me and my delegation since my arrival in your country and particularly in your beautiful city of Pyongyang.

This very warm welcome accorded to me and my delegation is a testimony to the deep and fraternal bond of friendship and brotherhood that exists between our two countries and our peoples. I bring to you, Comrade President, and through you to the Government and people of the Democratic People's Republic of Korea, warm and fraternal greetings from my party, the government and the people of Uganda.

It is my sincere hope that during my stay in your country, the contacts and talks I shall hold with you and your government will further result in the strengthening and deepening of the cordial relationship that already exists between our two countries and peoples.

Mr. President, since my party won the general elections in December of last year, your country is one of the only two countries outside Africa that I have visited. I have chosen to visit your country, first because we share many common ideals and objects in the non-aligned movement and second Korea have made great strides to develop welfare for the people of Korea.

Uganda, Comrade President, is bound to learn a lot from your experience particularly now when Uganda is engaged in the task of rehabilitation and reconstruction.

We believe that Your Excellency's wise and progressive guidance will become a brilliant model as true and dedicated leadership, deserving of the support of the masses. We come to your country to see for ourselves these achievements with a hope that we can benefit from your experience.

Comrade President, both your government and the Government of the Republic of Uganda are committed to the principles of non-alignment and self-reliance. It is in this context that we view favourably the cardinal principles of Juche that is designed to ensure the independence, economic and social development of your people. We are also happy that the policy of unification of Korea that you proposed was endorsed at the 6th Congress of the Workers' Party of Korea in October last year.

Uganda supports peaceful unification of Korea. It is our hope and wish that unity will finally prevail in the Korean Peninsula. Uganda looks forward to the day when the Korean people will be united as one nation, under one leadership and one government. We support all your efforts in the search of this unity through peaceful means.

Mr. President, permit me to refer to a problem that concerns the liberation movements in southern Africa, which problem has both international and regional dimensions. In southern Africa, the racist regime in South Africa continues to occupy the territory of Namibia illegally, while withn South Africa itself, the regime practices the policy of apartheid. Both policies constitute a serious threat to international peace and security. Moreover, South Africa has launched an all-out effort to destabilise the entire southern African region and particularly the frontline states through acts of sabotage, and actual military invasions of the various independent states of the region, as witnessed recently in Angola.

Today, South Africa rejects the only peaceful plan for Namibia's independence as envisaged by the United Nations Security Council resolution No. 435.

We note with satisfaction the positive policy of your country in the matter of the independence of African nations. On this question of independence, we hope to benefit further from your own wealth of experience in the maintenance of international peace and security, and in the decolonisation issue as a whole.

Mr. President, let me turn briefly on the situation in Uganda. Since the liberation of Uganda in 1979, your country has been one of the few nations that came to our aid in a positive and effective way. You, Comrade President, has, in a meaningful manner appreciated not only the sufferings but also the efforts of the people of Uganda to establish a new era of development. I take this opportunity to register here the highest appreciation of my party the Uganda People's Congress, the government and the people of Uganda for the assistance that you have rendered to us.

In conclusion, Comrade President, I wish once again to thank you, your Party, and through you the people of the Democratic People's Republic of Korea for the very warm welcome accorded to me and my delegation. I look forward to the talks that I shall hold with you. It is my sincere hope that these talks will contribute to the deepening of cordial relationship that already exists between us.

It is to that happy relationship and your Comrade President's continued personal good health, prosperity and unity of the Korean people as a whole that I give the toast.

Long live Comrade President Kim Il Sung.

Long live Uganda-Korean friendship and long live the non-aligned movement.

The Ugandan party and government delegation headed by President A. Milton Obote inspected the National Economy Institute in Pyongyang on Dec. 3.

Korea-Uganda Agreement on Economic, Scientific, Technical and Cultural Cooperation

An agreement on the economic, scientific, technical and cultural cooperation between the Democratic People's Republic of Korea and the Republic of Uganda was signed in Pyongyang on December 4.

Follows the full text of the agreement:

The Democratic People's Republic of Korea and the Republic of Uganda, (hereinafter referred to as high-level contracting parties), desiring to strengthen the economic, scientific, technical and cultural cooperation and to develop the existing relations of friendship between the two countries on the principles of independence, equality, mutual benefit and non-interference in each other's internal affairs, agree as follows:

ARTICLE 1

Both high-level contracting parties shall cooperate in the economic, scientific, technical and cultural fields in the interests of the two peoples.

ARTICLE 2

The economic, scientific, technical and cultural cooperation stipulated in this agreement covers the following subjects:

1) Cooperation in the field of economy
   - Cooperation in industrial production
   - Cooperation in agricultural production
   - Cooperation in the other economic fields
2) Cooperation in the fields of science and technology
   - Exchange of scientific and technical documents
   - Exchange of technicians, experts and trainees
   - Exchange of science and technology considered necessary for the different fields of national economy
3) Cooperation in the fields of education, culture, art and sports
   - Exchange of students
   - Exchange of experts for music and dance
   - Exchange of experts for sports training
   - Exchange of art troupes and sports teams

ARTICLE 3

The cooperation in various fields specified in Article 2 of this agreement shall be realized through separate documents to be agreed upon between the governments or the relevant organs of the two contracting parties.

ARTICLE 4

Each contracting party shall undertake to use the technical documents and informations received from the other party only for the purpose approved by both parties and be bound not to disclose them to any third party without the prior consent of the other party.

ARTICLE 5

The technicians, specialists, students or trainees to be dispatched within the framework of this agreement shall voluntarily observe the laws and regulations in force in the country of the receiving party.

Either contracting party shall be responsible to protect bodies of technicians, specialists, students and trainees to be dispatched in accordance with this agreement and afford them all the necessary conveniences for their work and living, and shall exempt them from all taxes and customs duties including those on their personal belongings.

ARTICLE 6

Both high-level contracting parties shall exempt all materials to be delivered to each other in connection with implementation of this agreement from all kinds of customs duties and taxes.

ARTICLE 7

This agreement shall be the basis for the separate documents to be signed between the Democratic People's Republic of Korea and the Republic of Uganda for the execution of the projects concerned.

ARTICLE 8

This agreement shall be valid for 5 years and shall be automatically extended for another 5 years unless either of the contracting parties notifies the other party in writing of its desire to terminate the agreement 6 months prior to its expiration.

ARTICLE 9

Either contracting party may ask for the alteration or amendment of part or whole of this agreement.

Any articles altered or amended in accordance with the approval of both parties shall be effective from the time of exchange of written notifications of their approval between both contracting parties.

ARTICLE 10

This agreement comes into force from the date of signature.

This agreement has been drawn up in duplicate each in Korean and English languages and signed in Pyongyang on the 4th of December, 1981, both texts being equally authentic. –KCNA

Vienna Conference Answers Question of Christianity vs Juche

A November 3–6 Vienna conference of Christians from the DPRK and abroad adopted unanimously a joint communique and an appeal to all compatriots at home and abroad. In those documents, the conference answered properly the long-standing question of Christianity and the Juche ideology.

The question has long puzzled those concerned and in particular the Christians abroad and in south Korea. The two documents, expressing a review of the past mistakes made on the part of Christians with regard to American behavior in Korea, claimed a total reconciliation of Christianity and the Juche idea, the guiding principle in Pyongyang.

The conference observed that both are man-centered and seek their ultimate objective in maximum dedication to the well-being of man and therefore are identical.

Calling for the removal of the dictatorial junta of Gen. Chon Du Hwan, the conference urged all the compatriots at home and abroad to strive for the establishment of a confederal state with two differing systems left intact.

Joint Communique

An historic first Korean Christian conference for national reconciliation and reunification was held in Vienna, Austria, from November 3 to 6, 1981. It was attended by 45 representatives and 30 observers from Korea and abroad.

This was the first gathering of the nature ever held at home or abroad in the 36-year-old history of territorial division after 1945.

The meeting unanimously stressed that this dialogue would go down as a new turn in the drive to accelerate territorial reintegration with the independent strength of the nation.

New experience and awareness emerged from the conference: brothers and sisters, separated by mutual misunderstanding and distrust, could be reconciled and united, only if they associated with each other from a Christian love and meet and talk with each other with compatriotic feelings, regardless of whatsoever differences.

The fact that the talks were held in face of all sorts of obstructionist moves constituted a blow at those forces at home and abroad bent on perpetuating the division. It represented a great victory for us.

In short, the moral barrier broke down, opening a door to dialogue.

Minister Kang Wui Jo, a resident in the United States, spoke on the subject, "The Responsibility of Christians in the History of Division." He referred to the cooperation of Christians in the egoistic and anti-communist Asian policy conduct of the United States. They once accompanied the aggression by foreign troops on our country, he recalled.

Christians are inspired with the spirit of Jesus Christ to value and protect human life. So they are supposed to hate war and love peace. Yet, they cooperated in disturbing peace in our country and dividing it, to their great disgrace and mistake.

Minister Kang remarked that the division could not be the work of internal factors and that with foreign forces dominating and interfering in south Korea, it would be difficult to achieve reunification. This thorny path must be taken to have the country reunified without fail, the responsibility and task of all Korean Christians.

A report on the state of Christians in north Korea was delivered by Minister Ko Ki Jun who came from there. Explaining his own valuable historical experience there, Minister Kim stated that the socialism of north Korea and Christianity had many things in common.

Christianity, he stated, was identical with Juche, an anthropocentric doctrine, as the latter is characterized by its commitment to and love for man. He declared he was well aware of a full incarnation of the spirit of Christ in the policy and institutions of north Korea.

The alleged confrontation between communism and Christianity, Minister Ko said, reflected a picture painted by the extreme anti-com-

(Continued on page 5)

Appeal

Beloved north and south Korean brothers!

And all brothers and sisters overseas!

We held a meeting for national reconciliation and reunification in Vienna, Austria from November 3 to 6, 1981, with the participation of over 70 compatriots and Christians from north Korea and overseas.

The meeting was the first get-together of compatriots and Christians north and overseas since the division of the country. The love of Christ enabled the brothers and sisters, alienated by mutual misunderstanding and distrust, to share the joy of company and reunion.

The gathering was a forum where we had frank exchanges of views on the responsibility and tasks of compatriot Christians regarding national reunification and rapprochement.

An awareness of a truth that emerged from the process: although separated by the division and feuds against our own will, we could be reconciled and united by compatriotic sentiments if we met and talked with each other.

With such experience and perception in mind, we fervently appeal to you to join us in pressing toward the day of reunification that will come in not a distant future.

Our compatriots share strong aspirations and endless strivings for a halt to the sufferings caused by the territorial division and the reestablishment of a unified homeland. Yet, not bright prospect is in sight.

In particular, recently splittists at home and abroad are intensifying their schemings to perpetuate the division of the country. The worsening situation in and out of Korea is casting a dark shadow on the prospect of reunification. The war clouds are gathering on the horizon.

In face of new grim dangers, never can we afford to sit idle.

In order to pave the way for reunification, we must bring a stop to the foreign intervention in the internal affairs of our country.

Historically speaking, our people were victims of repeated aggression resulting from rivalries among neighbouring great powers. Their sufferings and ordeals were never-ending and immeasurable. Today the East-West Cold War is getting fierce again, from which our nation must stay away not to be victimized by foreign forces. We shall never allow our people and land to be exposed to the threat of nuclear holocaust.

Today a half of our land has been occupied by Americans as a result of their selfish and anti-communist policy toward Asia. They protect the military dictatorship of Chon Du Hwan, rapist of democracy and slaughterer of compatriots. They are aiding and abetting the dictatorship in oppression, north-south confrontation and permanent national division.

All compatriots at home and abroad should denounce such unjustified American policy of aggression and intervention. They must strive to generate international solidarity with the sacred cause of territorial reintegration, an independent undertaking of our people.

The dictatorial junta of Chon Du Hwan who seized power with American help is a major obstacle to the reunification of our country.

They repressed in cold blood the justifiable Kwangju Uprising which stood for democracy and reunification and barbarously slaughtered thousands of fellow countrymen.

Such suppression, outrages and murders are continuing in an indiscriminate manner of democratic figures, religionists, student youths, journalists and workers. They are being committed at this very moment.

This traitorous group is driven with the desire for power and allied with the foreign forces to whom the junta is trying to sell the country. It is obvious that with this group left intact it is impossible to achieve national unity or reunification.

The fascist Chon military dictatorial regime must be ousted and all repressive laws and machines scrapped.

All those patriotic people illegally arrested and imprisoned must be set free unconditionally and immediately–democrats, religionists and student youth. A democratic government must be formed as it is led by democratic forces.

All compatriots at home and abroad must organize more extensive drives to aid the just struggle for a democratic south Korea and to create public solidarity with it.

A reasonable and workable formula for territorial reintegration lies in organizing a confederal state with north and south Korea as equal components.

This is the only avenue available to allow all compatriots to serve national interests and live together in a reunified homeland, without north and south Korea being pitted against each other and encroaching upon each other.

(Continued on page 6)

LA-Based Committee Offers Help in Finding Separated Families in DPRK

A Los Angeles-based Korean committee has recently announced that the DPRK is ready to help those overseas compatriots find their separated families in the DPRK.

The DPRK organized an ad hoc committee, called the Overseas Compatriots Relief Committee, it said.

The announcement was placed in the November 29 edition of a bi-weekly Asian-American News published in Alex, Virginia.

The LA committee, known as the Committee to Cooperate in Finding Separated Families, is chaired by Paul Chang.

The LA body quoted the DPRK authorities concerned as saying that it is willing to help those overseas compatriots desirous of visiting the DPRK to find their separated families.

The DPRK authorities, the American Korean committee revealed, are ready to make necessary arrangements for correspondence or visits.

This year a large number of overseas compatriots including former south Korean foreign minister Choe Dok Sin, have visited the DPRK.

Presently, over 10 million Koreans are separated in north and south Korea, from their families, including husbands, wives, brothers, sisters and parents.

The current south Korean laws make a crime punishable with death for any Korean to have contact or correspondence with or make trips to the DPRK for whatsoever reasons, including humanitarian reasons.

The tragic separation of the Korean people was caused by the American military occupation of south Korea, thus the division of the country.

The U.S.-provoked Korean War added to the sufferings of those separated families.

For further details, please contact the committee, 3631 W. Third Street, LA, CA 90020, USA.

Joint Communique

(Continued from page 4)

munist propaganda of the south Korean authorities and conflicts between false socialism and pretented Christianity.

He recalled the disappointment of north Korean Christians in the Americans, which in turn inevitably changed into disillusionment with Christianity. The American troops which they had thought to be saviors or angels rained bombs on them and committed outrages against them during the last war.

"Reunification and Foreign Forces" was the subject discussed by Elder Ryom Guk Ryol, vice-Chairman of the Korean Christian Federation. Citing historic facts, Elder Ryom attributed the division of the country to the American military presence in south Korea. Therefore, he concluded that terminating American domination of and interference in south Korea amounted to a fundamental task to be carried out for territorial reunification.

Minister Li Yong Bin, a resident in West Germany, dealt with the subject, "The Tasks of Christians for Territorial Reunification." He stressed the need for Christians to make a soul-searching review of their past mistakes in order to make a new start. The tasks he specified included accommodation, liberation from foreign forces, solidarity with the needy people and a positive understanding of northern socialism.

The lecture delivered by Chon Gum Chol, vice-Chairman of the northern Committee for Peaceful Reunification of the Fatherland, was entitled, "The Plan to Establish a Democratic Confederal Republic of Koryo and National Tasks for Its Realization." He explained the reasonableness and feasibility of the plan from various angles. All the patriotic compatriots, he urged, should achieve national unity in putting the plan into practice.

Extensive questions-and-answers sessions followed the presentations. All the participants confirmed that our country should not be allowed to be kept divided for ever as a victim of foreign powers under whatsoever circumstances. They reached unanimity of view on the following:

1. Our country should be reunified independently.

The right of national self-determination should also be exercised.

Without national sovereignty, there will be neither national dignity nor democracy nor freedom nor equality. The American forces in south Korea must be stripped of their operational control over the local armed forces and withdrawn from there. American domination and intervention must be halted. It is essential to reject categorically the proposal for "north and south Korean separate UN membership" and "cross recognition," which are intended to justify the division of the country.

2. The reunification of our country must be a peaceful process.

In the interest of Korean peace, the present armistice agreement must be replaced with a peace agreement; forces reduction must be undertaken to relax north-south tension; and the Korean Peninsula should emerge a denuclearized peace zone.

3. National unity should form the basis of Korean reunification, transcending the existing ideologies and systems.

All patriotic brothers and sisters must unite in the spirit of Christ which respects and understands the other side and in national conscience.

The south Korean Chon Du Hwan military dictatorial regime must assume responsibility for the Kwangju Massacre. They are preoccupied rather with their own private interests than national interests. They are inciting intra-national discords and conflicts. In south Korea the repression of human rights must be halted and it should be made certain all the political detainees including patriots, those who are fighting for democracy and reunification, be set free without loss of time. Everybody should be permitted to conduct political activities freely.

We express firm solidarity with the Christians and all other brothers and sisters who are fighting against the dictatorship and for democracy in south Korea, regardless of any danger to their lives.

4. The only reasonable form of reunification that can live with the distinctive characters of north and south Korea is a confederation with self-governing bodies.

We recognize that it is most realistic and reasonable to establish an independent, democratic, peaceful and neutral confederal state.

5. We will do everything we can in order to broaden the just started dialogue, resolved to dedicate ourselves to the cause of reunification.

Taking advantage of the historic new experience and understanding born of the meeting, we will place the role of malt and seeds for Christians.

Chon Fakes Up "Spy Ring Cases"; Still Over 20 Koreans from Japan Are in Prison

A Korean resident in Japan named Son Yu Hyong, 52, was sentenced to death by the Seoul District Criminal Court on Nov. 17 on charges of "engaging in espionage activities for North Korea." The Agency for National Security Planning(NSP), former KCIA, June 9 announced that it had broken up a north Korean spy ring based in Japan and arrested all the six members. The NSP said that the leader of the spy ring was Son Yu Hyong.

From Jan. 19 to November 11, the south Korean authorities announced a total of 14 spy ring cases, of which 6 were alleged to be connected with Korean residents abroad (in Japan and the United States.)

At present, over 20 political prisoners from Japan are in south Korean jail on charges of "engaging in espionage activities," of whom 5 were given death sentence and are now facing death. **(See Below)** Those who were sentenced to death are Che Chol Gyo, Chin Du Hyon, Paek Ok Kwang, Kang Jong Hon and Kang U Gyu. **(See Photos Right)**

As Chon's mentor Pak Jung Hi faked up various spy cases, Chon Du Hwan also has produced "north Korean spy ring cases," especially ones allegedly connected with Koreans in Japan.

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According to the announcement by the NSP, Son used to serve as vice chief of Osaka's Ikuno chapter of the Chongryun (the Association of Korean Residents in Japan) before switching his membership to the Mindan, a pro-Seoul organization based in Japan. In September 1968, solely for the purpose of spying activities for Pyongyang.

The indictment, however, does not mention any specific spying activities, but says that he leaked "national secrets" such as "there was a campus demonstration at Chongju University April last year," and so forth.

The facts about student demonstrations are widely reported by Japanese mass media and cannot be "national secrets."

The indictment also says that he contacted a north Korean agent on the Shinkansen platform in Tokyo, mid-August, 1964. But the Shinkansen line did not exist at that time.

These two things are enough to prove that the charges against him are far-fetched and that the case was rigged up for political reasons.

In the second school term, south Korean university students staged active anti-Chon protest, demanding ouster of Gen. Chon Du Hwan.

Faced with the situation, the Chon junta announced from Oct. 13 to Nov. 11 three "north Korea spy ring cases" involving Korean residents in Japan and alleged that "spies are responsible for the demonstrations."

On Oct. 13 the Defense Security Command announced that it smashed a 17-man north Korean espionage ring, including Kim Tae Hong, 25, a Yonsei University senior, who allegedly attempted to overthrow the "Republic of Korea" by instigating college students to stage anti-government demonstrations and create social disturbance.

On Nov. 6, the NSP announced that it had smashed three north Korean spy rings whose leaders included Korean expatriates in the United States and Japan. The three leaders, the NSP said, were Hong Son Gil, 50, of Burbank City, Calif., Chin E Chick, 23, a Korean college student born in Japan, and Kim Chang-gil, 39, a technical businessman.

The Defense Security Command said Nov. 11 that it had arrested two persons, Lee Hon Chi, and Lee Chu-Gwang, both Korean residents in Japan, on Oct. 27 on suspicion of espionage operations for north Korea.

Pak Jung Hi had rigged up spy ring cases in order to suppress the dissident forces and to maintain his power.

The same can be said of Chon. But Chon is more sophisticated. Observers here said that those "spy ring cases" involving Korean residents in Japan are intended to create the impression that student demonstrations were instigated by "north Korean spies" based in Japan and that the cause of social unrest in south Korea is external. The Chon junta also uses the spy cases as a pretext for suppressing the Chongryun and other anti-Chon organizations and figures in Japan by applying pressure on the Japanese government. The Japanese authorities also announced "north Korean spy cases" in Japan, to coincide with south Korean authorities' announcements.

The case allegedly involving a Korean resident in the United States is apparently intended to threaten Koreans in the U.S. in view of an increase in contact between Pyongyang and Korean residents in the United States for reunification.

Che Chol Gyo

Chin Du Hyon

Paek Ok Kwang

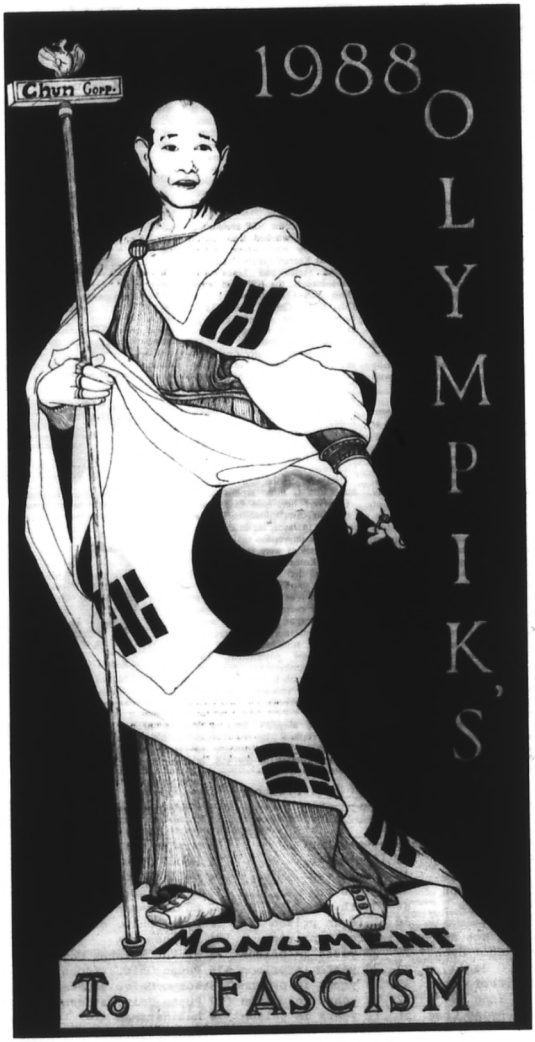
Kang Jong Hon

Kang U Gyu

List of Pol. Prisoners from Japan

name	age	hitch	year of arrest	occupation
Paek Ok Kwang	33	death rap	'75	Mindan worker
Kang Jong Hon	30	death rap	'75	Seoul Univ. student
Che Chol Gyo	49	death rap	'74	self-employment
Chin Du Hyon	51	death rap	'74	Mindan worker
Kang U Gyu	64	death rap	'77	businessman
So Sung	36	life in prison	'71	Seoul Univ. student
Ryang Hoe Son	45	life in prison	'74	businessman
Kim Chol Hyon	35	20 years in prison	'75	Hankuk Shinhak Univ.
Kim O Ja	30	20 years in prison	'75	Pusan Univ. student
Lee Chol	32	20 years in prison	'75	Koryo Univ. student
Ryu Yong Su	32	20 years in prison	'77	Pusan Univ. student
Pak Ryang Chae	56	12 years in prison	'76	businessman
Kim Won Jung	29	7 years in prison	'76	Seoul Univ. student
So Jung Shik	33	7 years in prison	'71	Seoul Univ. student
Kang Jong Gon	30	5 years in prison	'75	Koryo Univ. student
Son Yu Hyong	52	death rap	'81	businessman
Kim Tae Jong	25	under trial	'81	Yonsei Univ. student
Chin E Chick	23	7 years in prison	'81	Overseas Korean Education Institute
Lee Hon Chi	29	under trial	'81	Samsung Electronics Co.
Lee Ju Gwang	28	under trial	'81	Koryo Univ. student

For What the 1988 Olympic Games Will Be?



K means fascism: for example,anti-Amerikan means opposing fascist America

W. German Press Calls Seoul Olympiad Blunder, Compares It to Hitler's 1936 Berlin Games

The West German press editorially called a blunder the Baden-Baden decision of the International Olympic Committee to host the 1988 Olympic Games in Seoul. One paper raised political risks, referring to the Kwangju civil war. Another compared the decision to the 1936 hosting of the Games by Hitler for fascistic purposes. The south Koreans are virtually financially bankrupt.

Stuttgartr Nachrichten – October 1

What are the reasons why the IOC decided to choose Seoul as the host of the Olympic Games of 1988? A majority of its members must be well aware of the risks of selecting Seoul.

Nevertheless, they did not considered potential political dangers. Because of its division, tension is high in Korea. Last year a "civil war" as was witnessed in Kwangju occurred, a fact that IOC members failed to take into account.

They ignored a unanimous Eastern bloc opposition to the selection of Seoul as the venue for the Games. The decision made in a closely-sealed room in Baden-Baden to host the Games in Seoul cannot but be interpreted as an attempt to demonstrate their (IOC members) authority.

Two-week-long public criticisms continued of the IOC. But its members are stubborn enough to insist on going to Seoul. It is something like striking a nail into the forehead. So it is only too natural that a bad "lump" grow.

Neue Ruhrzeitung . October 1

Article entitled, "1936 Berlin and 1988 Seoul"

Chon Du Hwan will make most of the Baden-Baden decision as Hitler exploited the 1936 Berlin Olympiad to strengthen his fascist regime. In this sense, the decision to choose Seoul as a host city of the '88 Games is a blunder from the outset.

The DPA news agency

All newspapers in Seoul devoted much space to the victory of Seoul over Nagoya in Baden-Baden.

The October 1 Armed Forces Day celebrations which normally come to the front page were moved to other pages. Maximum prominence was given to the decision to host the 1988 Games in Seoul. However, two dark atmospheres are mixed.

One is the view of economic experts. They hold that the south Korean economy is still in recession. The state coffers are virtually empty because of huge military expenditures and industrial expansion projects. They are concerned that hosting the Olympiad at such a time will bankrupt the state.

It is said that a staggering $2.2 billion is needed to finance the Seoul Olympic Games of 1988. Moreover, at least 10,000 players and 200,000 spectators are anticipated to flood the city from abroad. Economic experts believe the consequent debts incurred from the Games will be tremendous.

Another is the gloomy response of democratic forces. They are expressing deep concern that the Baden-Baden decision will help improve the image of the Chon Du Hwan dictatorship and embolden it to intensify the already extremely violent political oppression.

(Continued from page 4)

Achieving territorial reunification by means of an independent, democratic, neutral and peaceful confederal state will creditably safeguard the sovereignty and dignity of our nation in the international community of states.

All those compatriots at home and abroad desirous of an independent and peaceful reunification must come out in the drive for reunification and salvation, a campaign to organize a confederal state, the only way out for our nation.

Beloved north and south Korean compatriots!

Overseas brothers and sisters!

What is most urgently required of us committed to a vigorous march toward the common goal of our people, namely, national reunification, is intra-national unity.

Unity is the strength of our nation and a basic key to reunification.

Given the supreme national goal of territorial reunification, continuing infighting instead of mutual cooperation and unity would fail to drive away the dark clouds of division from the homeland.

Unity in all compatriots at home and abroad requires greatest consideration to the national cause and least attention to any difference in ideology, idea, views, religious faith and organizational affiliations.

Whatever ideology he or she may espouse, he or she is a member of our nation. Any given political party or organization of whatsoever doctrines or views, it is meaningless in the absence of our nation.

Any person who values our nationhood and aspires after reunification must put the vital national interests before his or her own ideology or view. It is patriotic behavior. Cooperation must be agreed on among those who embrace Christianity or democracy or communism.

Such behavior is precisely that of a patriot not only from the viewpoint of our historical traditions but also from the viewpoint of the present-day requirements of our national history.

For the purpose of national reunification, it is necessary to have broader contacts and talks among all compatriots in various walks of life.

Such contacts and talks which must be free of any formalities will greatly help remove mutual misunderstanding and mistrust and build up understanding and trust, thereby promoting reconciliation and unity.

This has been clearly demonstrated by the current conference.

All those who want to see reunification must do everything in their power to expand such forums.

Our people's cause of reunification is just. History is bound to crown justice with victory.

When all compatriots at home and abroad march shoulder to shoulder as one body for the love of our homeland, we will be able to bring down all the hurdles in the way of reunification and accomplish the cause of reunification without fail.

"Lamentations of Winds—Life and History of Korean Female Workers in Japan" (13)

1. Days Spent in Factories and Dormitories

Ill-Treatment

(Continued from the No. 1,070 issue of The People's Korea)

At the silk reeling factory we were beaten if we snapped thread. We were given various kinds of physical punishment.

"One day a Korean female snapped thread several times. Angry with her, an overseer made her stand in the center of the work site with a cocoon-filled tub, 30 cm diameter, on her head and with her arms stretched out horizontally. When the tub fell, the overseer came and beat her on her legs with a stick. The female put the tub on her head while weeping. She desperately tried to keep the tub on her head, and while doing so her arms fell. The overseer beat her on her arms by the stick as her arms went down.

Beatings occurred two or three times. Tears didn't fill her eyes any longer and she just continued to stand with a pallid face. All of a sudden she fell down. She lost her consciousness. The overseer poked her with a stick and shouted, 'Get up!'and 'Stand up!' She couldn't rise. The overseer didn't pick her up or cared for her. He poked her twice or thrice with a stick saying, 'This hussy!' and shouted to a female beside her to take the fallen female. He left there.*(Ku Haeng Ja)*

"Overseers were always angry. We didn't understand Japanese well so we didn't understand why they were angry with us. We just silently heard what he said.....

Why was the overseer angered so frequently. He was always angry. He beat us whenever we snapped thread, and he kicked us if we were late in coming back when we went to the toilet. We cried whenever they did violence to us. The overseers beat females and females cried . . . This was a scene commonly seen in the factory.

Those who came to work in factories as adults were able to endure but young girls could not. A girl of about 10 years was so small that her hands could not reach her machine, so she had to work, always stretching herself. Then she was unsteadily on her feet and did not do her work well. And the overseer came and beat her. Young girls continued to move their machines while crying or repressed their sorrows by singing songs.

Don't put on airs because you are an overseer

Don't put on airs so much, you who count reels and you who handle machines

In five years, there will be no spinning mills any longer

You and I are in the same boat

We sang this song in Korean. When an overseer said 'What are you saying!'as he didn't understand Korean at first. But, he gradually understood that we sang ill of him. He was angry with us and said, 'Don't sing songs.' We ignored him and continued to sing songs. He came to us and poked us, shouting 'Don't you hear what I say?Don't sing a song.' We said to him nonchalantly, 'Why can't we sing a song, when we did nothing wrong? You have no reason to be angry with us.' He never allowed us to sing. If we had sung more, we might have been beaten. Then we didn't sing until he had left. When he disappeared, we began to sing at once." *(Chon Kui Nam)*

"When I worked in a factory, I was frequently beaten. Those who beat us were overseers and keepers. Among them were some Koreans. These Korean overseers and keepers were kind or cared for us Korean females because they were our compatriots. They were watched by the company and may not have wanted to loose their jobs by sympathizing with Korean girls, because they managed to get their jobs after making great efforts. They beat Korean females together with Japanese overseers and keepers. They were also faithful members of the "Soai society," a puppet organization sponsored by the company. Sometimes they were more cruel than Japanese overseers and keepers.

One day a Korean female stopped a machine because of an accident. A Japanese overseer scolded her as usual. The Korean female was stubborn and spoke ill of him. Actually she used extremely derogative language. That Japanese overseer didn't understand what she said and left there. Then a Korean overseer rushed there and shouted, 'What did you say! Say once more!' He badly beat her. He got angry with her, as that Korean overseer understood what she said. But he has no special reason to be angry with her because she didn't speak ill of him. He just wanted to show that he was faithful to the company. Such a person can be seen in any age." *(Ryang Han Suk)*

It frequently happened that females lynched other females correctively. It sometimes happened that Japanese females lynched Korean females.

"One day a thing owned by a Japanese female was found lost in a room for Japanese females. Japanese females were making noise, saying, 'Someone stole it.' Then, some females said a Korean female was seen to go out from their room. And after a while, all said that the Korean female had stolen the thing. The Japanese females found that Korean female and pressed her for an answer. As the Korean female denied, the Japanese females beat her, saying 'You stiff-necked fellow! Someone saw you steal the thing.' Other Japanese females beat her together.

That Korean female cried, but she was unable to move. . . . Other Korean females on the spot also began to cry, saying 'They are maltreating us because we are Koreans.' They went to the Japanese females to protest. Thus, a serious trouble was created at the factory.

The trouble calmed down that day, but the Korean female died as she was badly kicked in some part of her body. We thought those who killed the girl would be taken to a police or sent to prison, but nothing happened to those Japanese females and they continued to work at the factory." *(Chong Dae Jun)*

Females frequently quarreled among themselves. When a quarrel exploded between Japanese and Korean females, it was natural that Korean females should be defeated.

The number of Japanese females were absolutely larger than that of Korean females and the Japanese overseers and keepers were on the side of the Japanese females. But conflicts between Japanese and Korean females did not occur frequently. In their daily life, the Korean females had nothing to do with the Japanese females. From the beginning, the Koreans were separated from the Japanese.

When an incident such as a theft developed into a lynching, Japanese females, even though they were exploited, took a high-handed attitude toward Korean females as they had discriminative consciousness against Koreans and a sense of superiority, based on the difference of wages.

But, in general, a bond of ties developed between Japanese and Korean females, who jointly called strikes.

Flight from Factories

"A Korean woman I know was forced to have intimate relations with an overseer and became his mistress, when she was working at a silk reeling factory at Matsumoto. She was charming and may have attracted much attention. It was not rarely in those days that overseers became intimate with Japanese female workers. But such cases were few with Korean females.

This was because of the difference of manners and customs between Japanese and Koreans. At the same time, Japanese did not approach Korean females, saying that Koreans were dirty. And Korean females were steady and they didn't listen to overseers even when they were wooed. Japanese females seemed to have no aversion to having relations with overseers, because they were overlooked when they snapped thread and were given various kinds of convenience in their work if they obeyed overseers But this didn't happen to Korean females because they took an entirely different view of relations between men and women.

Another female I know met a Korean worker who came from the same native place and decided to marry him. One day she promised him to meet him in a certain place and fled the factory. Unfortunately, she was found meeting the man by an overseer.

She and the Korean worker had to run to his construction camp, where the overseer and keepers followed them. They had a violent quarrel with the worker.The overseer and his group beat the Korean worker and tried to take back the female worker. She desperately resisted and refused to be taken back. At the time I was a child and was living at that construction camp. The overseer was furious and she trembled with a pallid face. Though I was a child, I trembled at the scene. I was very much frightened.

My father, who was the head of the construction camp, came hearing that the situation was getting worse. Korean workers at the camp also came back. Then a kind of confrontation between Japanese overseers and Korean workers developed. My father asked the overseer, 'Why did you beat this girl ?' The overseer shouted back, 'Do you have anything to say against us, who are going to take back this girl who has fled the factory?' Then, my father heard the overseer and the Korean worker and discussed the matter with them. He made the overseer consent to their marriage, saying, 'You have no right to object to their marriage,' and made him go back. The atmosphere was extremely ugly for a time, when they yelled at each other.

Later that female married the Korean worker and is now living happily with him. If she had been taken back by the overseer then, what would have happened to her?. . . *(Kim Kyong Ae)*

Those who had met Korean men and married them, were happy. But among the Korean construction workers there were those who led an uncertain life like vagrants and lived on Korean female workers. Some Korean construction workers became puppets of the Japanese rulers and suppressed Korean females by organizing company-kept organizations.

Overseers and keepers of factories didn't allow us to go out, saying that we would be whisked away by wicked men. But that was a pretext. They said so probably because they were afraid that we might flee or move to other factories if we went out.

But actually it happened sometimes that Korean females were taken away by several Korean males on their way back to their factories when they went out. There were many vagrants and they lay in wait for Korean females. They covered the heads of females with big wrappers and each girl was carried away by these men. After hearing such stories no female dared to go out alone. The factory exaggerated such stories and threatened us that we would be taken away and sold to brothels if we went out. So we were unable to go out even on holidays." *(Ryang Han Suk)*(To be continued)

Korean Paintings "Youth at 60" By Kim Sung Bok

Problematic Features of Seoul's "5th Five-Year Economic Development Plan"

Of late, the Seoul authorities worked out the so-called "fifth five-year economic development plan" (1982-86) calling for an average annual economic growth rate of 7.9 percent during the plan period.

The Chon group set the following tasks as the main goals of the economic plan: 1) Realization of a second economic growth period; 2) promotion of social development; and 3) establishment of welfare society.

However, it is certain that these goals will never be achieved, as Seoul's dependence on foreign loans will deepen further.

Heavier Burden on Taxpayers

Under the plan, an average annual economic growth rate is estimated at 7.6 percent.

According to statistics made public by the Economic Planning Board, the reason why the Chon group sets a target of 7.6 percent for the country's annual average economic growth is that the working population is estimated to rise by an average annual rate of 2.8 percent (441,000) during the plan period.

If the labor productivity is estimated to increase by an average annual rate of 4-5 percent during the period, an average annual economic growth rate of 7.6 percent should be maintained, so that the working population increasing at an annual average rate of 2.8 percent, may be absorbed into the industrial sector and the annual average unemployment rate during the period may be held down to about 4.0 percent (687,000).

In other words, if the target of an average annual economic growth rate of 7.6 percent fails to be achieved, more people would be thrown out of jobs.

Then, if south Korea intends to achieve a 7.6 percent average growth rate annually, an annual average over-all investment rate of 31.6 percent should be maintained and 75.8 trillion won ($128.365 million) be invested during the plan period.

75.8 trillion won ($128.365 million) is equal to 32.5 percent of an estimated GNP of 233.5 trillion won ($395.427) in the target year of 1986. Thus, one-third of the GNP in the target year is required to be invested in the plan.

A question arises as to how furnish such a vast sum of money.

According to an estimate by the Chon group which is responsible for raising funds for the fifth five-year economic plan, domestic savings are estimated to increase by annual average rate of 27.4 percent during the period, and overseas savings to rise by 4.2 percent.

In terms of won prices in 1981, annual average domestic savings and overseas savings are to shoot up to 13,143.7 billion won ($22,258.47 million) and 216.2 billion won ($3.4 billion) in the final year of the plan, respectively. Domestic savings and overseas savings during the period, are estimated to 65,718.6 billion won ($111,292.45 million) and 10.814 trillion won ($17.020 billion), respectively. (See Table 1)

Domestic savings consist of household savings, company savings and governmental savings, and the annual average increase rates are estimated to be 10.5 percent, 10.0 percent and 6.8 percent. The Chon group has decided that 74.8 percent of the total domestic savings should go to private spending and 25.2 percent be devoted to governmental spending.

In short, the total domestic savings—65,718.6 billion won ($111.29245 million) of 49,157.5 billion won ($832,467.5 million) is to be collected by forcible means and the remaining 16,561.1 billion won ($280,457.0 million) in the form of taxes.

Especially, remarkable is a 3.5 percentage points increase in annual average domestic savings (1.7 percentage points in household savings, 1.7 percentage points in company savings and 1.4 percentage points in governmental savings). In addition, the increase rates of household savings and governmental savings are higher than that of company savings.

This means that the south Korean people have to pay heavy taxes to increase domestic savings as estimated in the plan.

The percentage of national tax revenues to the GNP is estimated to rise from 18.4 percent in 1981 to 22.0 percent in 1986. This is a 5.1-fold increase rate over that during the fourth five-year economic plan (0.7 percent).

Furthermore, the per capita tax revenue is estimated at 566,000 won in 1986, 2.7-fold increase over 209,000 won in 1981.

The August 24 issue of the south Korean daily Chung-Ang Ilbo said: "The share of national tax revenues in the total government revenue increased from 10.3 percent twenty years ago to 18.8 percent this year. If it rises to 20 percent in 1986, Korea will have to bear a tax burden rising at the highest pace in the world. In the past twenty years, the tax burden in most developed countries has increased by 1-5 percents. The people are angry at this rapid increase in the tax burden."

Wages Being Kept Down

According to preliminary estimates made by the Bank of Korea, the increase rate of wholesale prices is estimated to lower from 13.0 percent in 1982 to 10.0 percent in 1983, 9.4 percent in 1984, 9.0 percent in 1985, and further 9.0 percent in 1986, showing an annual average rate of 10.0 percent. The GNP deflator is estimated to lower from 14.0 percent in 1982 to 11.0 percent in 1983, 10.0 percent in 1984, 9.5 percent in 1985, and further to 9.5 percent in 1986, or an annual average rate of 10.8 percent.

The annual increase rate of wholesale prices and that of GNP deflator are equal to half comparable figures during the fourth five-year economic plan (22.1 percent for wholesale prices and 20.7 percent for GNP deflator)

The problem is how the Chon group can achieve these targets.

The Chon company sets the following two tasks as important measures to stabilized prices: To maintain an annual average increase rate of currency issue at a 18 percent level; and to activate the functions of the market mechanism by increasing the rate of import liberalization to a level of 90 percent.

Because of the Chon junta's policy of maintaining an annual average increase rate of currency issue at a 18 percent level, the business boom will slow down and business failures grow in number.

At the end of the this year, an average increase rate of currency issue is estimated to be 24.8 percent as against 21.3 percent in the beginning of 1977.

Therefore, if the Chon junta maintains an annual average increase rate of currency issue at 18 percent during the "fifth five-year economic development plan" period, business activity will cool off. *(The Sep. 2 issue of the daily Chung-Ang Ilbo)*

The Chon junta's policy of activating the functions of the market mechanism by increasing the rate of import liberalization, will also slow down business activity.

The more Chon Du Hwan and his company increase the rate of import liberalization, the harder domestic companies, especially minor enterprises, will be hit by it. Because an increase in the rate of import liberalization will directly lead to the growth in the import of foreign products which are internationally competitive.

On the other hand, if the Chon junta softens controls on monopoly prices, on the pretext that it intends to activate the functions of the market mechanism, it will not be long before the people are angry at this rapid increase in the tax burden.

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Dealing a direct blow at the popular masses is the junta's policy of holding down wages within the increase rate of productivity.

According to the junta's plan, productivity is estimated to increase by an annual average rate of 4-5 percent. Therefore, the annual average increase rate of wages desired by the Seoul authorities is within the 4-5 percent range.

However, this will never be achieved because an annual averate increase rate of 4-5 percent is half of the increase rate of prices, which stands at 10.1-10.8 percent.

Foreign Dependency

South Korea's dependence on foreign capital will deepen further.

According to an announcement made by the Chon junta on the international balance of payments, south Korea's current account is estimated to record a deficit of $3.6 billion in 1986. During the year, her basic account and overall account are estimated to suffer deficits of $0.6 billion and $0.3 billion, respectively.

In 1986, south Korea's visible trade account is estimated to score a deficit of $2.5 billion (export--$55.0 billion and imports--$55.0 billion). On the invisible trade side, a deficit of $1.4 billion is estimated to be marked in the same year. (See Table 2)

The above-mentioned facts clearly show that even after the "fifth five-year economic development plan", Seoul shall have to pay more interest than the payments of principals in the past.

The problem is whether the Chon junta is able to achieve these targets or not.

In order to maintain the current account at a $3.6 billion level, the annual average increase rates of exports and imports should be to at least 20.3 percent and 17.1 percent, respectively. It is certain that these goals will never be achieved.

Let's turn to the increase rate of imports.

Due to the following reasons, the increase rate of imports is estimated to increase year after year: oil prices are liable to rapid fluctuations; and south Korea heavily depends on foreign countries for the supply of Industrial materials.

Let us take a look at the induction of foreign loans.

During the plan period, south Korea is estimated to introduce a total of $46.5 billion in foreign capital, including $33.3 billion in foreign loan, $1,700 million in foreign currency bonds and $11.5 billion in other forms.

Of the foreign capital, $20.8 billion is estimated to be used as funds to cover the current account deficit, $15.9 billion as interest on loans, $5,800 million as working funds and others. Most of the foreign capital desired to be introduced during the plan period, will be used as funds to cover the current account deficit and interest on loans.

Then, south Korea plans to introduce a total of $46,777 million in foreign loans in the last year of the "fifth five-year economic development plan." (By the end of June, this year, south Korea had introduced a total of $13,477 million in foreign loans.) Even if the Chon junta pays $15.0 billion as payments of principal ($3 billion every year) during the plan period, the amount of outstanding foreign loans is estimated to be $31.7 billion, and annual interest payments are supposed to be over $5 billion.

In 1986 or the last year of the "fifth five-year economic development plan," south Korea will encounter serious payments difficulties due to a vast sum of outstanding foreign loans.

Failure Unavoidable

Judging from various points of view, it is absolutely certain that the above-mentioned goals will never be achieved because of the following reasons:

First, the Chon junta still tries to follow the "export-led economic growth policy."

During the 1977-81 period, the Chon group did not succeed in achieving any of the main goals of the "fourth five-year economic development plan." How can the junta follow its "export-led economic growth policy" successfully under the aggravating international economic conditions?

Second, the Chon group can not achieve "economic stability" while maintaining "economic growth."

The Seoul authorities call for an average annual economic growth rate of 7.9 percent during the plan period. It is recalled that they stressed a 5.6 percent annual average economic growth rate during the "fourth five-year economic development plan" period.

On the other hand, the junta estimates that the annual average rate of the GNP deflator will lower from 20.7 percent during the 1977-81 period to 10.8 percent during the 1982-86 period.

In general, in order to maintain a high economic growth rate, a country should introduce a vast sum of foreign loans. As a result, currency issue will increase and people will suffer from the sky-rocketing prices. Meanwhile, if the Seoul junta tries to hold prices in check, it has to hold down the increase rate of currency issue. However, if the Chon group takes these measures, business activity will slow down and economic growth rate will be lowered.

Third, in its initial stage, the "fifth five-year economic development plan" has already encountered various difficulties.

According to statistics made public by the Korea Development Institute (KDI), the business outlook on south Korea in 1982, or the first year of the "fifth five-year economic development plan," is exceptionally gloomy because of the following factors: rapid inflation; the ever-increasing international interest rates; low zeal for investment; increase in real income; and etc. *(The Oct. 23 issue of the daily Maeil Kyongje Sinmun)*

Table 2 Balance of Payments
In hundreds of mil. $U.S.

	80	81	82	86
Current account	-53	-54	-49	-36
Trade balance	-44	-42	-40	-25
Exports	172	210	253	530
Imports	216	252	293	555
Invisible trade	-14	-17	-14	-16

Source: The Economic Planning Board

Table 1 Investment Fund-Raising Plan
(%)

	80	81	86	77-81	82-86
Overall investment rate	31.0	31.2	32.5	31.2	31.6
Overseas savings rate	9.8	8.9	2.9	7.1	4.2
Domestic savings rate	21.2	22.3	29.6	23.9	27.4

Source: The Economic Planning Board

KOREA, UGANDA ON HORIZONTAL COOPERATION

(continued from page 1)

Talks were held between President Kim Il Sung and President A. Milton Obote in what the KCNA called "a sincere and friendly atmosphere."

Both Presidents spoke at a grand banquet arranged on December 1 at the Korean Assembly Hall by the DPRK chief executive.

(See Texts on Page 3)

In his speech President Kim Il Sung said, "It is now a still more urgent task for the non-aligned countries to maintain independence firmly, achieve strong political unity and secure close economic and technical cooperation."

With such unity, the DPRK leader stressed, the non-aligned countries "will be able to nullify the scramble of imperialist powers for spheres of influence and also prevent a new world war beforehand."

Referring to both countries' commitment to non-alignment and self-reliance, Uganda President Obote expressed admiration for Juche and support for a confederal reunification proposal.

He briefed on the liberation movements in southern Africa.

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